

Enforcement Addendum
Action Memorandum
Herculaneum Lead Site

A717
Site: Herculaneum Lead
ID #: MD000626273
Break: 2-0
Other: 121
SRC NID

The Doe Run Resources Corporation owns and operates the lead smelter in Herculaneum which is the source of the contamination in the community. Doe Run is liable under Section 107(a) of CERCLA with respect to this Site, and Doe Run is performing residential soil and interior dust cleanups at the Site pursuant to Administrative Orders on Consent entered into by EPA and Doe Run in May 2001 and December 2001. However, with respect to the temporary relocation removal actions called for by this Action Memorandum, the Agency has decided, in the exercise of its enforcement discretion, to proceed with the temporary relocation as a fund lead removal.

There are two reasons for the Region's decision to proceed fund-lead, without offering Doe Run the opportunity to perform the action: (1) the need for the action to begin almost immediately; and (2) Doe Run's deteriorating financial situation.

We expect to begin relocation activities immediately after the Action Memorandum is signed. If the PRPs were to perform this action we would need to get an enforceable instrument and an approved work plan in place before work could commence. Such things typically take, at a minimum, several weeks, and often considerably longer. Thus, as a practical matter, it is simply not feasible to have the relocation actions performed in a timely way or PRP-lead action.

In addition, in negotiations three weeks ago between EPA and Doe Run on an administrative order for yard cleanups at this Site, Doe Run asserted that it did not have the ability to finance all the actions that EPA was asking for as part of the negotiation. The company provided detailed financial information to EPA to document its financial condition. Doe Run ultimately agreed in those negotiations to perform the actions being requested by EPA, but only after EPA provided some relief to Doe Run on pending cost reimbursement obligations the company has at other Sites. The company's cash-flow is extremely tight right now, and given what transpired during those others recent negotiations, it is highly unlikely that the company could or would finance additional response actions right now, on top of the actions that they just agreed to perform.

Intramural Costs: The following intramural costs reflect additional costs included in Amendments 1 and 2 of the Action Memorandum.

	Current Ceiling	Estimated Increase	Proposed Ceiling
Direct Costs:	\$ 7,400	\$ 2,000	\$ 9,400
Indirect Costs:	\$223,000	\$228,108	\$451,108
Total Intramural Costs:	\$230,400	\$230,108	\$460,508

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SUPERFUND RECORDS

Direct Costs include direct extramural costs and direct intramural costs. Indirect costs are calculated based on an estimated indirect cost rate expressed as a percentage of site-specific direct costs, consistent with the full cost accounting methodology effective October 2, 2000. These estimates do not include pre-judgement interest, do not take into account other enforcement costs, including Department of Justice costs, and may be adjusted during the course of a removal action. The estimates are for illustrative purposes only and their use is not intended to create any rights for responsible parties. Neither the lack of a total cost estimate nor deviation of actual total costs from this estimate will affect the United States' right to cost recovery.